



March 8, 2016

Good afternoon Chairman Booher and committee members,

My name is Sandy Pearson and I am President and CEO of Habitat for Humanity of Michigan.

I am in opposition of Senate Bills 842 and 843 allowing payday loan storefronts to operate as Credit Service Organizations.

I represent:

- 67 local Habitat for Humanity affiliates in the State of Michigan
- Over 1,000 board and committee members
- Over 30,000 dedicated volunteers
- Over 560 employees
- Over 5,000 families or over 18,000 individuals who are now living in decent affordable homes; and
- Who pay more than \$8.5 million per year in property taxes

Habitat for Humanity works because we are a hand up and not a hand out.

- All of our families pay mortgages
- All of our families pay property taxes

We understand the reason that payday loans exist and in saying so, we see no justice in the usurious way they are delivered and passage of these bills will make matters worse. It is time for something different and Habitat for Humanity in Michigan is taking a focus to make it a priority to develop an alternative. I am asking you to allow us time to develop an alternative consumer loan product that provides mainstream access to capital to our citizens of low wage earnings. Please do not further the unfortunate reality of increased use of "fringe market" financial products that cause economic strain and wealth depletion for the families we serve.

On behalf of all that is Habitat for Humanity in Michigan, I ask for your support in opposition to Senate Bills 842 and 843.